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HOUSE BILL 997

**47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005**

INTRODUCED BY

Roberto "Bobby" J. Gonzales

AN ACT

RELATING TO TAXATION; PROVIDING FOR A DEDUCTION FROM THE  
SPECIAL FUEL EXCISE TAX FOR NUMBER 2 DIESEL FUEL SOLD FOR THE  
GENERATION OF POWER TO PROPEL A PUBLIC SCHOOL BUS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-16A-10 NMSA 1978 (being Laws 1992,  
Chapter 51, Section 10, as amended) is amended to read:

"7-16A-10. DEDUCTIONS--SPECIAL FUEL EXCISE TAX--SPECIAL  
FUEL SUPPLIERS.--In computing the tax due, the following  
amounts of special fuel may be deducted from the total amount  
of special fuel received in New Mexico during the tax period,  
provided that satisfactory proof thereof is furnished to the  
department:

A. special fuel received in New Mexico, but  
exported from this state by a rack operator, special fuel

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underscored material = new  
[bracketed material] = delete

underscored material = new  
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1 supplier or dealer, other than in the fuel supply tank of a  
2 motor vehicle or sold for export by a rack operator or  
3 distributor; provided that, in either case:

4 (1) the person exporting the special fuel is  
5 registered in or licensed by the destination state to pay that  
6 state's special fuel or equivalent fuel tax;

7 (2) proof is submitted that the destination  
8 state's special fuel or equivalent fuel tax has been paid or is  
9 not due with respect to the special fuel; or

10 (3) the destination state's special fuel or  
11 equivalent fuel tax is paid to New Mexico in accordance with  
12 the terms of an agreement entered into pursuant to Section  
13 9-11-12 NMSA 1978 with the destination state;

14 B. special fuel sold to the United States or any  
15 agency or instrumentality thereof for the exclusive use of the  
16 United States or any agency or instrumentality thereof.

17 Special fuel sold to the United States includes special fuel  
18 delivered into the supply tank of a government-licensed  
19 vehicle;

20 C. special fuel sold to the state of New Mexico or  
21 any political subdivision, agency or instrumentality thereof  
22 for the exclusive use of the state of New Mexico or any  
23 political subdivision, agency or instrumentality thereof.

24 Special fuel sold to the state of New Mexico includes special  
25 fuel delivered into the supply tank of a government-licensed

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underscored material = new  
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1 vehicle;

2 D. special fuel sold to an Indian nation, tribe or  
3 pueblo or any agency or instrumentality thereof for the  
4 exclusive use of the Indian nation, tribe or pueblo or any  
5 agency or instrumentality thereof. Special fuel sold to an  
6 Indian nation, tribe or pueblo includes special fuel delivered  
7 into the supply tank of a government-licensed vehicle;

8 E. special fuel sold to the holder of a special  
9 bulk storage user permit and delivered into special bulk  
10 storage pursuant to the provisions of Section 7-16A-8 NMSA  
11 1978; [~~and~~]

12 F. special fuel dyed in accordance with federal  
13 regulations; and

14 G. special fuel that is number 2 diesel fuel sold  
15 for the generation of power to propel a public school bus;  
16 provided that the fuel has a distillation temperature of five  
17 hundred degrees Fahrenheit at a ten percent recovery point and  
18 six hundred forty degrees Fahrenheit at a ninety percent  
19 recovery point."

20 Section 2. EFFECTIVE DATE.--The effective date of the  
21 provisions of this act is July 1, 2005.

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